

Statement of Phil Balyeat to House Insurance Committee Regarding Senate Bills 1293 and 1294

Good morning Mr. Chairman and Committee members. My name is Phil Balyeat and I live in Traverse City. I am 97 years old and I rely heavily on Medicare and my Blue Cross Blue Shield Legacy Medigap to pay for my medical expenses.

Last year, I was advised by my former medigap insurance company that my monthly premium was scheduled to increase to \$264. I contacted Jim Verville at the Medicare Medicaid Assistance Program to get some help to find another insurance company that was more affordable. We discussed several medigap plans offered by various companies and also Medicare Advantage plans.

I did not want to apply for a Medicare Advantage plan because they usually involve a lot of deductible and co-pay expenses. Because of my age, I wanted to have a plan that gives me good coverage for these expenses.

After discussing all of the options, I decided to apply for the Blue Cross Blue Shield Legacy Medigap C plan. I made this choice because it was going to give me the insurance that I believed to be both affordable and would also provide the level of protection for me.

Now, I hear that the two bills before your Committee would allow Blue Cross to make changes to my Medigap plan. I do not know why the Legislature would want to permit this to happen. There are 10's of thousands of seniors and disabled people currently enrolled in these medigaps plans. What's going to happen to them if these plans disappear or the premiums become unaffordable?

Mr. Chairman and Committee members, I urge you to modify these bills to require that Blue Cross Blue Shield of Michigan continue to provide Legacy Medigap products that are:

- Community rated
- Do not deny coverage because of pre-existing conditions
- Maintain the State of Michigan statutory requirements
- Require Blue Cross Blue Shield to be the insurer of last resort

Thank you for giving me the time to tell my story. I would be happy to answer any questions you have.